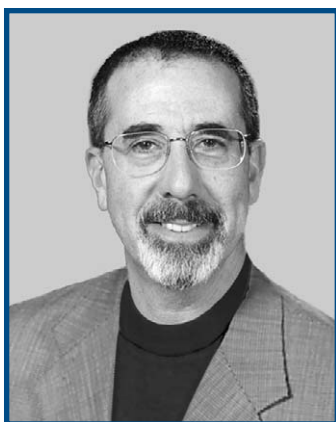


# State Senator January 2006 Burton Leland

## Serving the People in the 5th District

# Happy New Year!



### How to Reach Sen. Leland

#### Lansing Address

P.O. Box 30036  
Lansing, MI 48909-7536

Phone: 517-373-0994

Fax: 517-373-5981

#### Detroit Address

17254 Bentler  
Detroit, MI 48219  
313-537-7166

#### E-Mail

senbleland@senate.  
michigan.gov

#### Web Address

[www.senate.mi.gov/leland](http://www.senate.mi.gov/leland)

*Hello District 5!*

*I hope this season finds you warm, healthy, and safe. I am enjoying the snow and looking forward to serving my last year here in Lansing.*

*In keeping with my commitment to consumer protection legislation, my Senate colleagues and I have proposed plans to help with escalating winter heating bills, and to hold unscrupulous building contractors accountable for their actions. Additionally, we have been busy at the State Capitol. We have renewed Michigan's commitment to a strong economy and brought up to date the state's telecommunications laws.*

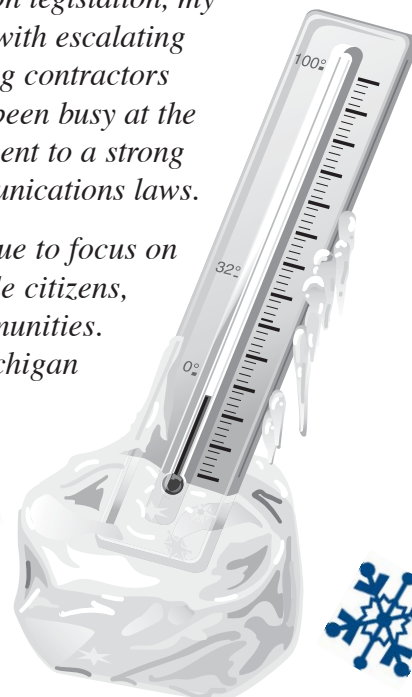
*As more exciting opportunities unfold, we will continue to focus on good-paying jobs, a safety net for our most vulnerable citizens, educational opportunities, and building vibrant communities.*

*Thank you for the opportunity to serve you in the Michigan Senate. I look forward to another productive year!*

*Sincerely,*

*Burton Leland*

*Burton Leland  
State Senator*



## Keeping You WARM

Rising energy costs have the potential to cripple household budgets this year more than ever. The Michigan Public Service Commission has predicted that fuel costs will jump 46% this year, or about \$56 a month on average.

Heat should not be a luxury. For that reason, we have established Project WARM (Winter Assistance and Relief in Michigan), a legislative package intended to provide emergency energy relief for those who would otherwise have to choose between dinner and heat.

*Continued on page 4*

# New Law Protecting Consumers From Unfair Lending Practices

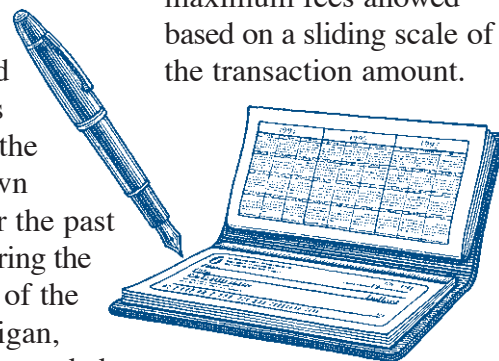
Governor Granholm recently signed into law new protections for consumers who use the short-term-loan firms known as “pay-day lenders.” These new laws are vital to helping consumers avoid the pitfalls of the cyclical debt that the industry currently promotes.

Michigan consumers who utilize

these services have a job or other steady income, yet are in need of short-term financial services that they are often unable to obtain from traditional financial institutions like banks and credit unions. Banks and credit unions are carefully regulated, yet until this law, pay-day lending institutions were not.

While pay-day lenders were virtually unheard of 12 to 15 years ago, customer demand for the product is very strong, and the industry has grown dramatically over the past decade. Considering the explosive growth of the industry in Michigan, regulation is both needed and long overdue.

The new law significantly limits the maximum fees allowed based on a sliding scale of the transaction amount.



## Money-Saving Tips to Save Energy and Manage Heating Bills This Winter

While we can not control the weather or the price of gas, we can manage our energy costs by using natural gas wisely.

- Purchase an automatic set-back or programmable thermostat, which can automatically lower temperatures when you are away and go back to normal when you return. **For every degree you lower your thermostat, you can save about 3% on your heating bills!**
- Proper humidity levels help us to feel comfortable. If you don't already have one, get a humidifier. If

you already have one, keep it clean and well maintained.

- Set your water heater temperature at 120 degrees Fahrenheit. Don't forget to turn this temperature down when you leave on vacation!
- Schedule a heating system checkup. An efficiently operating heating system will deliver the maximum in energy savings.
- Seal windows with caulk and weather stripping to block unwanted drafts.
- Add a sweep to the bottom of doors that let cold air in.

- Install glass doors on fireplaces and keep the flue damper closed when the fireplace is not in use.
- When purchasing new windows or a furnace, look for the ENERGY STAR logo which indicates a high-efficiency product.
- Insulate water pipes, especially hot water pipes located in unconditioned basements or crawl spaces.
- Plug major air leaks, especially in the attic and basement. Seal around electrical wire boxes and plumbing cutaways. Seal around recessed lighting

fixtures, but use caution because insulation should not be placed near lights.

- Use kitchen, bath, and other ventilating fans wisely. In just one hour, these fans can pull out a houseful of warm air. Fans should be turned off after they have done their job.
- Open the curtains on south facing windows during the day to allow sunlight to naturally heat your home. Be sure to close the curtains at night to reduce the chill you may feel from cold windows.

# Bad Contractors

I frequently receive complaints in my office from constituents who have been the victims of unscrupulous home building contractors. There are plenty of honest builders doing excellent work for a fair price, but those that are not must be held accountable for their actions. My colleagues and I recently proposed legislation that would enhance homeowners' ability to both protect themselves from predatory contractors and to go after bad contractors once they have wronged a client.

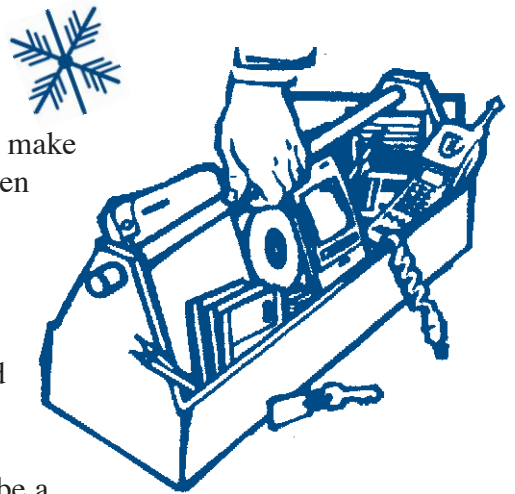
The three main goals of our legislation are to:

- Make records of past bad behavior of bad contractors accessible to the public;
- Give additional powers to law enforcement to bring charges against offenders; and
- Drastically increase the fines and penalties for unscrupulous contractors.

Home building and remodeling is a difficult process, filled daily with complex decisions about an owner's greatest single investment. The significant expenses

usually involved make this anxiety-ridden process extraordinarily challenging. Even with the best workers and all the right decisions, remodeling can be a nightmare.

One of the most important steps any homeowner can take to protect themselves is to research their contracting options. But even the most conscientious consumers cannot protect themselves if they don't have adequate protections under the law.



Our legislation will not affect fair, responsible home builders. We seek to make information and legal recourse more available to consumers so that they can more easily choose one of the many skilled and honest contractors available for hire.

# Home Heating Credit

Eligible customers may receive funds from the State of Michigan Treasury to apply toward their heating bills. To qualify, you must meet the Home Heating Credit income guidelines listed on the chart below. If you received a Home Heating Credit last year, the state will send you a Personal Identification Number (PIN) in January. The PIN will allow you to file a Home Heating Credit over the phone.

More information is available on the Michigan Department of Treasury website at [www.michigan.gov/treasury](http://www.michigan.gov/treasury) or by calling **1-800-827-4000**. Be sure to have your household income information and social security numbers for yourself and your dependents available before calling.

## 2005 Household Income Eligibility Guidelines

| Number of Household Members | Home Heating Credit Maximum Family Income |
|-----------------------------|---|
| 1                           | \$10,529                                  |
| 2                           | \$14,129                                  |
| 3                           | \$17,700                                  |
| 4                           | \$21,300                                  |
| 5                           | \$24,471                                  |

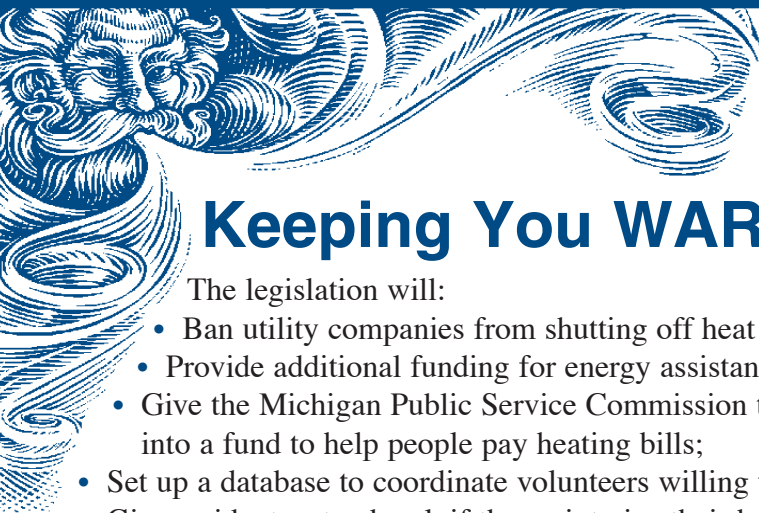


## State Senator Burton Leland

P.O. Box 30036  
Lansing, MI 48909-7536



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## Keeping You WARM *Continued from page 1*

The legislation will:

- Ban utility companies from shutting off heat service during winter;
- Provide additional funding for energy assistance funds;
- Give the Michigan Public Service Commission the power to shift \$5 million from research into a fund to help people pay heating bills;
- Set up a database to coordinate volunteers willing to help with winterization efforts; and
- Give residents a tax break if they winterize their homes.

When you struggle every month to get food on the table or buy your medicine, the extra \$50 you pay to heat your house when the temperature drops below freezing can mean a week's worth of groceries or several prescription co-pays. These measures will, hopefully, give a little extra help and keep all of Michigan WARM!

## Tax Incentives for Manufacturers Signed Into Law

Recently, Governor Granholm signed into law a tax cut plan that spans four years and will provide \$600 million in tax breaks to Michigan companies. While Michigan needs to find ways to assist the ailing manufacturing industry, this should not come at the expense of good roads, good schools, and our vital social services safety net.

There are three key components to the new law. These include extending a tax cut to Delphi and Visteon as long as they keep their facilities in Michigan, giving industries that move operations

into Michigan a 100 percent personal property tax credit, and giving all businesses a 15-percent property tax credit.

The bills also include a new formula to determine the tax rate that businesses will pay. The new plan increases the amount of the tax that is dependent on sales and decreases the amount that is dependent on payroll and property expenditures. These incentives will help convince companies to invest in Michigan and keep jobs in our state.

